

6.1.6 Statutory auditors' report on the consolidated financial statements

Year ended December 31, 2022

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of CGG,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of CGG for the year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirement rules required by the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from January 1, 2022 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of goodwill

Key audit matter

As presented in note 11 to the consolidated financial statements as of December 31, 2022, the goodwill amounts to a net value of US\$1,089 million breaking down as follows:

- Geoscience : US\$723 million;
- Earth Data : US\$182 million;
- Sensing & Monitoring : US\$184 million.

Management ensures, at least once a year at the statement of financial position date, that the carrying amount of goodwill is not higher than its recoverable amount and presents no risk of impairment. The principles of the impairment test performed, and the applicable assumptions are described in note 11 to the consolidated financial statements.

The determination of the recoverable amount of goodwill is very largely based on management judgment, in particular with regard to:

- the future cash flows expected from the cash-generating units assessed, including normative cash flows that are used beyond the explicit period. These normative cash flows include flows from new businesses addressing the fast-growing markets of Digital Science, Energy Transition and Monitoring and Observation Solutions;
- the discount rates applied to the future cash flows;
- the long-term growth rate retained for the cash flow projection.

We considered the valuation of goodwill as a key audit matter, due to its importance in the accounts and the necessary management estimates and judgments, particularly in the context of energy transition.

Our response

Our procedures thus mainly consisted in:

- obtaining an understanding of the methodology used by management to assess the recoverable amount of goodwill and examining the compliance with the applicable accounting standards;
- assessing the consistency of the estimated future cash flows with the main underlying operating assumptions, from the 2023 budget and the outlook for the explicit period, approved by management;
- obtaining an understanding and examining the assumptions retained for the purpose of estimating normative cash flows, especially with regard to the outlook for the oil and gas market on the one hand, and the Digital Science, Energy Transition and Monitoring and Observation Solutions markets on the other hand;
- performing a retrospective analysis of the cash flow estimates;
- assessing the existence of any external information which could contradict management's assumptions.

We have incorporated valuation specialists in our team for the purpose, in particular, of assessing the discount rates and long-term growth rate retained by management and assess the appropriateness of the discount rates to the level of risk embedded in the cash flows. They independently determined acceptable rate ranges and examined the rates used by management in relation to those ranges.

We have also examined the appropriateness of the information relating to the valuation of goodwill presented in the consolidated financial statements. In particular, we have assessed the consistency of the sensitivities presented in the consolidated financial statements especially with regard to the choice of variables and the assumptions of variations. We also verified the arithmetical accuracy of these expectations.

Valuation of Earth Data surveys

Key audit matter

As presented in note 10 to the consolidated financial statements as of December 31, 2022, the carrying amount of the Earth Data surveys totals US\$419.1 million.

As presented in note 1.7 to the consolidated financial statements, the Group's Earth Data surveys regroup seismic surveys for which non-exclusive licenses are granted to customers. All the costs of acquisition, processing and finalization of the surveys are recognized as intangible assets. The Earth Data surveys are valued at the aggregate of those costs less accumulated amortization, or at their fair values if the latter is the lower.

Management ensures, at least once a year and more frequently in the event of any indication of impairment, that the carrying amount of Earth Data surveys does not exceed their recoverable amounts. The assessment of the recoverable amount of Earth Data surveys is very largely based on management judgment, in particular with regard to the forecasting of future sales.

In that respect, and as indicated in note 10, US\$17.3 million of impairment losses were recognized at the end of 2022.

Given the elements described above, we considered measurement of the Earth Data surveys as a key audit matter.

Our response

We have obtained an understanding of the methodology used by the Group's management to assess the recoverable amount of Earth Data surveys and have examined its compliance with the applicable accounting standards.

We have assessed the consistency of future sales forecasts:

- in relation to the forecasts made by management as part of the impairment test for the previous year, by comparing actual sales with previous forecasts;
- and with surveys' attractiveness for potential customers.

We assessed the existence of external information that could contradict management's assumptions.

When management judged that impairment should be recognized, we inquired management about the reasons for the impairment and assessed its consistency with our understanding of the market.

We have also examined the appropriateness of the information relating to the valuation of Earth Data surveys presented in the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information relating to the Group given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the Group's information given in the management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above mentioned regulation.

Based on the work we have performed, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF (*Autorité des marchés financiers*) are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of CGG by the Annual General Meeting held on May 15, 2003 for MAZARS and on June 29, 1977 for ERNST & YOUNG et Autres.

As at December 31, 2022, MAZARS was in the twentieth year of total uninterrupted engagement and ERNST & YOUNG et Autres in the forty-sixth year (out of which forty-two years since securities of the Company were admitted to trading on a regulated market).

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines necessary to enable the preparation of consolidated financial statements free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, the matters related to going concern and using the going concern basis for accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of your Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 14, 2023

The Statutory Auditors

MAZARS
Daniel Escudeiro

ERNST & YOUNG et Autres
Claire Cesari-Walch